

- Step C Divide the result from step A by the result from step B. Carry this result to the seventh decimal place and truncate, rather than round, the result. This decimal factor represents the employee's relative position in the rate range.
- Step D Using the current GS rate range (for the employee's current grade), find the difference between the maximum rate and the minimum rate. (If the maximum GS rate was not payable because of the EX level V pay limitation, use the uncapped maximum GS rate.)
- Step E Multiply the result from step D by the factor derived under step C.
- Step F Add the result from step E to the minimum rate for the employee's current GS rate range and round to the next higher whole dollar. This rate is the maximum payable GS rate the agency may pay the employee (subject to the EX level V pay limitation).

(3) In applying § 531.221(c) for an employee whose highest previous rate is a special rate, the highest previous rate (after any geographic conversion) must be compared directly to the current highest applicable rate range for the employee's position of record and official worksite after reassignment. Thus, the rate identified under paragraph (c)(1) of this section is the maximum payable rate of basic pay.

[70 FR 31291, May 31, 2005, as amended at 73 FR 66153, Nov. 7, 2008]

Subpart C [Reserved]

Subpart D—Within-Grade Increases

SOURCE: 46 FR 2319, Jan. 9, 1981, unless otherwise noted.

§ 531.401 Principal authorities.

The following are the principal authorities for the regulations in this subpart:

(a) Section 2301(b)(3) of title 5, United States Code, provides in part that “appropriate incentives and recognition should be provided for excellence in performance.”

(b) Section 5301(a)(2) of title 5, United States Code, provides that “pay distinctions be maintained in keeping with work and performance distinctions.”

(c) Section 5338 of title 5, United States Code, provides that “The Office of Personnel Management may prescribe regulations necessary for the ad-

ministration” of General Schedule pay rates, including within-grade increases.

(d) Section 4 of the Performance Management and Recognition System Termination Act of 1993 (Pub. L. 103–89) provides that “the Office of Personnel Management shall prescribe regulations necessary for the administration of this section.”

[51 FR 8419, Mar. 11, 1986, as amended at 59 FR 40793, Aug. 10, 1994; 60 FR 33098, June 27, 1995]

§ 531.402 Employee coverage.

(a) Except as provided in paragraph (b) of this section, this subpart applies to employees who—

(1) Are classified and paid under the General Schedule;

(2) Occupy permanent positions; and

(3) Are paid less than the maximum rate of their grade.

(b) This subpart does not apply to any employee who is appointed by the President, by and with the advice and consent of the Senate.

[70 FR 31301, May 31, 2005]

§ 531.403 Definitions.

In this subpart:

Acceptable level of competence means performance by an employee that warrants advancement of the employee's rate of basic pay to the next higher step of the grade or the next higher rate within the grade (as defined in this section) of his or her position, subject to the requirements of § 531.404 of this subpart, as determined by the head of the agency (or designee).